

**CHAPTER NO. 87**

**HOUSE BILL NO. 1248**

**By Representatives McMillan, Head, Phillip Johnson, Hargett, Kent, Todd**

**Substituted for: Senate Bill No. 1175**

**By Senators Kurita, Atchley, Beavers, Bryson, Burchett, Burks, Clabough, Cohen, Cooper, Crowe, Crutchfield, Dixon, Ford, Fowler, Graves, Harper, Haynes, Henry, Herron, Jackson, Ketron, Kyle, McLeary, McNally, Miller, Norris, Person, Ramsey, Southerland, Trail, Walker, Williams and Mr. Speaker Wilder**

AN ACT to amend Tennessee Code Annotated, Title 67, relative to taxation for military personnel.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 67-5-2011(d), is amended by deleting the subsection in its entirety and substituting instead the following:

(d) This section shall expressly apply to personnel stationed outside the United States during Operation Enduring Freedom or other hostilities where the military personnel are entitled to combat compensation as determined by the United States department of defense.

SECTION 2. Tennessee Code Annotated, Section 67-2-112(b), is amended by deleting subdivision (3) in its entirety and substituting instead the following:

(3) This subsection shall expressly apply to personnel stationed outside the United States during Operation Enduring Freedom or other hostilities where the military personnel are entitled to combat compensation as determined by the United States department of defense.

SECTION 3. Tennessee Code Annotated, Section 67-4-1703, is amended by adding the following language as a new subsection (c):

(c)

(1) No tax owed under this part by a person in the armed forces of the United States, or called into active military service of the United States, as defined in § 58-1-102, from a reserve or national guard unit, shall be due until ninety (90) days following the conclusion of hostilities in which such person is actually engaged outside the United States or ninety (90) days after such person is transferred from the theater of operations of such hostilities, whichever is sooner.

(2) A person claiming this delay shall present proof, satisfactory to the commissioner, of such person's deployment and stationing outside the United States during a period of hostilities and proof of such person's return from such deployment.

(3) This subsection shall expressly apply to personnel stationed outside the United States during Operation Enduring Freedom or other hostilities where the military personnel are entitled to combat

compensation as determined by the United States department of defense.

SECTION 4. Tennessee Code Annotated, Section 67-4-113, is amended by deleting the language "67-2-112(b) and 67-5-2011" wherever it appears and by substituting instead the language "67-2-112(b), 67-4-1703(c) and 67-5-2011".

SECTION 5. This act shall take effect upon becoming a law, the public welfare requiring it, and shall apply to taxes due and payable during 2003.

**PASSED: April 21, 2003**



JIMMY RAIFEH, SPEAKER  
HOUSE OF REPRESENTATIVES



JOHN S. WILDER  
SPEAKER OF THE SENATE

**APPROVED this 5<sup>th</sup> day of May 2003**



PHIL BREDESEN, GOVERNOR